

ELECTROLUX HOME PRODUCTS, INC.

February 23, 2011

Kelly Rayne
County Attorney
Shelby County Attorney's Office
160 N. Main Street Suite 660
Memphis, TN 38103

Re: Site Location and Development Agreement dated December 15, 2010 ("Project Agreement")

Dear Kelly:

The purpose of this letter is to outline the understandings and needs of Electrolux Home Products, Inc. related to the construction of our manufacturing facility in Memphis, Tennessee ("Project").

As you are aware, during the negotiations for locating the Project in Memphis, it was represented to Electrolux on several occasions by officials of each of the State of Tennessee ("State"), The City of Memphis ("City"), and Shelby County ("County") (collectively the "Public Authorities"), that the funding coming from the Public Authorities would be committed and "firm" on or about January 31, 2011. This was and is a crucial consideration for Electrolux to locate the Project in Memphis.

Although Electrolux has previously agreed to give the various Public Authorities additional time to shore up these commitments and provide the necessary funding, Electrolux must request formal written commitments from the various Public Authorities in order to continue with the Project. Due to all of the factors we have previously discussed with the Public Authorities, Electrolux is not in a position to continue to delay the substantive work on the Project. Therefore, Electrolux respectfully requests that the Public Authorities provide the following commitments:

1. Following execution of the various agreements related to the construction and occupancy of the Project Site, the City and County shall have and make available to Electrolux those portions of the IDB Funds to which they are committed under Section 6.1 of the Project Agreement for immediate use by Electrolux for the construction at the Project Site of design work, site improvements, infrastructure and buildings.
2. Given certain issues raised by City and County officials in recent weeks, Electrolux has previously requested confirmation from City and County counsel regarding approved expenditures using their respective portions of the IDB Funds. We understand that such confirmation is almost complete and will be finalized and provided to Electrolux in the immediate future.
3. In the event the State fails by May 1, 2011 to obtain the necessary legislative approvals to contribute its portion of the IDB Funds as required by the Project Agreement, or should the State legislature at any time prior thereto reject approval for such funds, or should such funds not be made available by June 1, 2011, then Electrolux may at any time prior to June 15, 2011, immediately terminate the Project Agreement, any related PILOT Agreement, and any other agreement among Electrolux and any of the parties hereto related to the Project, without any payment, penalty, or further obligation by, or any recourse against, Electrolux.

ELECTROLUX HOME PRODUCTS, INC.

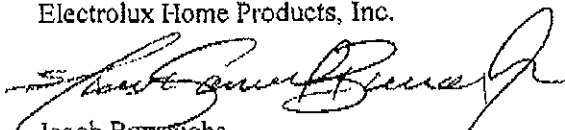
4. Electrolux feels it is appropriate for the State to provide a written commitment approving an immediate reimbursement from the State portion of the IDB funds for any qualified expenditures paid for by Electrolux prior to the availability of the State portion of the IDB funds.

Electrolux also notes that one of the specific promises made by the State during the Project Agreement negotiations was that if any delay in providing the State portion of the IDB funds would impact the Project, the State could make other funds available to bridge the gaps created by such timing issues. We would urge the Public Authorities to examine this option to alleviate the uncertainties facing the Project at this time.

Electrolux appreciates the commitment of the Public Authorities to support the Project, and looks forward to a resolution of these issues in the near future to allow us to begin work on the Project in Memphis.

Regards,

Electrolux Home Products, Inc.



Jacob Burroughs
Project Director and Controller